



CreditRiskMonitor’s warning of Cenveo, Inc.’s (“Cenveo”) bankruptcy risk was determined by a combination of factors:

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MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's FRISK® score had been warning of financial stress at Cenveo, Inc. (OTC: CVOVQ) for more than a year.

The company ultimately filed for bankruptcy on February 2, 2018.

Business Name	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2018	2018
	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB
Cenveo, Inc.	1	1	1	1	1	1	1	1	1	1	1	1

BANKRUPT!

The FRISK® score is 96% accurate* in predicting the risk of corporate failure/bankruptcy over a 12-month horizon. All FRISK® scores are recalculated every night for each subsequent 12-month period.

Probability of bankruptcy within 12 months			
	FRISK®	From	To
Best	10	0.00%	0.12%
	9	0.12%	0.27%
	8	0.27%	0.34%
	7	0.34%	0.55%
	6	0.55%	0.87%
	5	0.87%	1.40%
	4	1.40%	2.10%
	3	2.10%	4.00%
	2	4.00%	9.99%
Worst	1	9.99%	50.00%

While the percentage risk of bankruptcy varies at each FRISK® score, 96% of public companies that eventually go bankrupt enter the FRISK® "red zone" prior to filing. A FRISK® score of 5 or less is an important warning sign.

* FRISK® score accuracy of 96% is based on backtesting of U.S. public companies; results may vary by country.

THE FRISK® SCORE COMPONENTS

At the core of the CreditRiskMonitor process is our 96% accurate FRISK® score, which indicates a company's level of financial stress on a scale of 1 to 10, based on the probability of bankruptcy over a 12-month horizon. When available, the FRISK® score incorporates a number of powerful risk indicators including:

A "Merton" type model using stock market capitalization and volatility

Financial ratios, including those used in the Altman Z"-Score Model

Bond agency ratings from Moody's and Fitch

Crowdsourced CreditRiskMonitor Usage Data

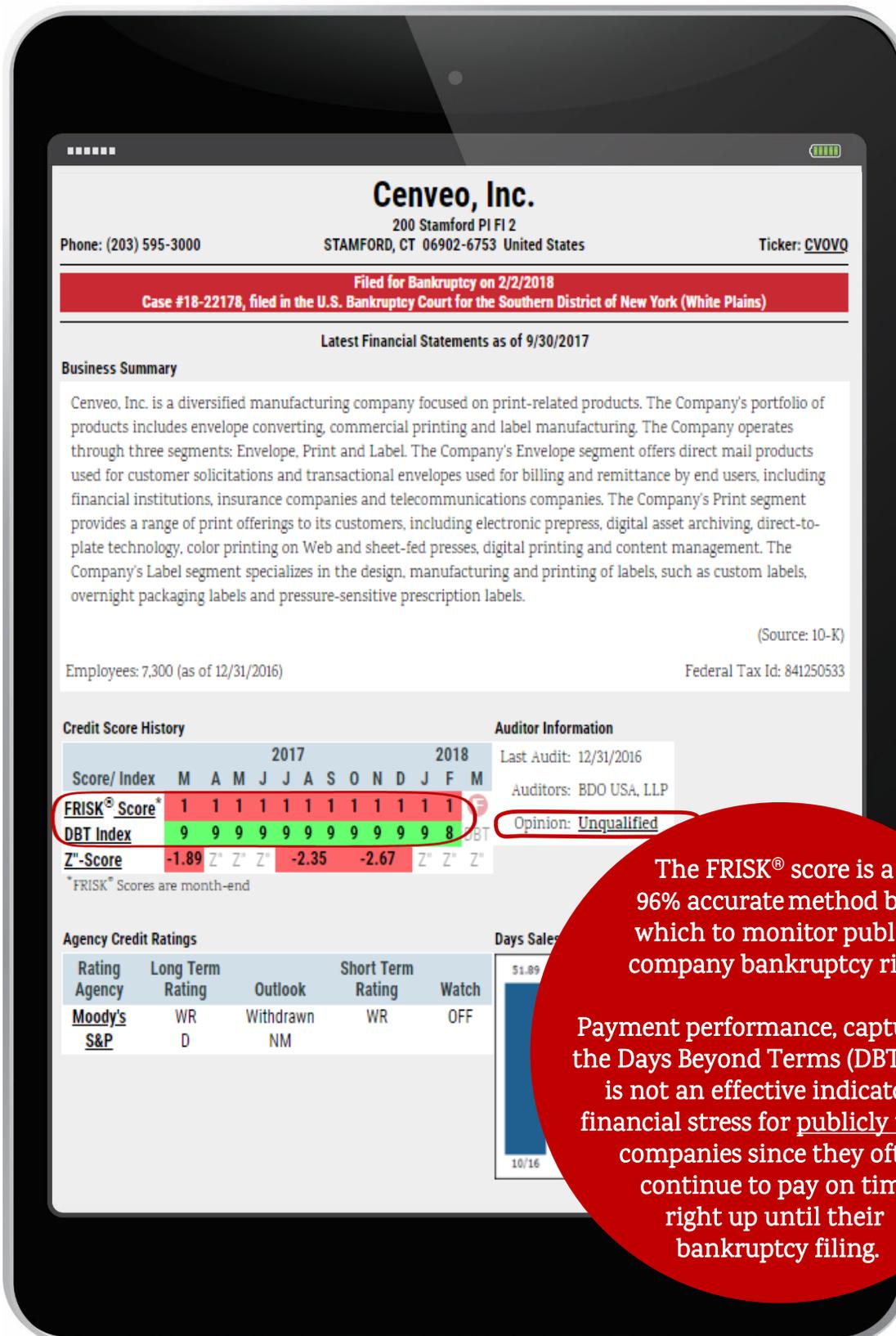
Crowdsourcing has enhanced the accuracy and timeliness of the FRISK® score. We collect and analyze data patterns from thousands of CreditRiskMonitor subscribers, including professionals from more than 35% of the Fortune 1000 and other large corporations worldwide.

The crowdsourcing advantage is even more powerful in our FRISK® score since many of the professionals who use our service are credit managers:

- Credit managers control one of the largest sources of working capital going into a company
- They are not held to the same "Fair Disclosure" restrictions that prevent non-disclosed information sharing on public companies
- Credit managers use a variety of non-public information sources such as their own company's management and sales representatives to be alerted to concerns in a public company's performance
- It is commonly known credit managers confidentially share information with other credit managers, thus collectively, their behavior helps to provide advanced insight to financial problems in public companies

[Read more in Credit Research Foundation's quarterly journal article, "Assessing Public Company Financial Risk by Crowdsourcing the Research of Credit Professionals"](#)

COMPANY REPORT DETAIL



Cenevo, Inc.

200 Stamford Pl Fl 2

Phone: (203) 595-3000

STAMFORD, CT 06902-6753 United States

Ticker: **CVOVO**

Filed for Bankruptcy on 2/2/2018
Case #18-22178, filed in the U.S. Bankruptcy Court for the Southern District of New York (White Plains)

Latest Financial Statements as of 9/30/2017

Business Summary

Cenevo, Inc. is a diversified manufacturing company focused on print-related products. The Company's portfolio of products includes envelope converting, commercial printing and label manufacturing. The Company operates through three segments: Envelope, Print and Label. The Company's Envelope segment offers direct mail products used for customer solicitations and transactional envelopes used for billing and remittance by end users, including financial institutions, insurance companies and telecommunications companies. The Company's Print segment provides a range of print offerings to its customers, including electronic prepress, digital asset archiving, direct-to-plate technology, color printing on Web and sheet-fed presses, digital printing and content management. The Company's Label segment specializes in the design, manufacturing and printing of labels, such as custom labels, overnight packaging labels and pressure-sensitive prescription labels.

(Source: 10-K)

Employees: 7,300 (as of 12/31/2016)

Federal Tax Id: 841250533

Credit Score History

Score/ Index	2017												2018			
	M	A	M	J	J	A	S	O	N	D	J	F	M			
FRISK® Score*	1	1	1	1	1	1	1	1	1	1	1	1	1			
DBT Index	9	9	9	9	9	9	9	9	9	9	9	9	8			
Z"-Score	-1.89	Z"	Z"	Z"		-2.35				-2.67		Z"	Z"	Z"		

*FRISK® Scores are month-end

Auditor Information

Last Audit: 12/31/2016
 Auditors: BDO USA, LLP
 Opinion: **Unqualified**

Agency Credit Ratings

Rating Agency	Long Term Rating	Outlook	Short Term Rating	Watch
Moody's	WR	Withdrawn	WR	OFF
S&P	D	NM		

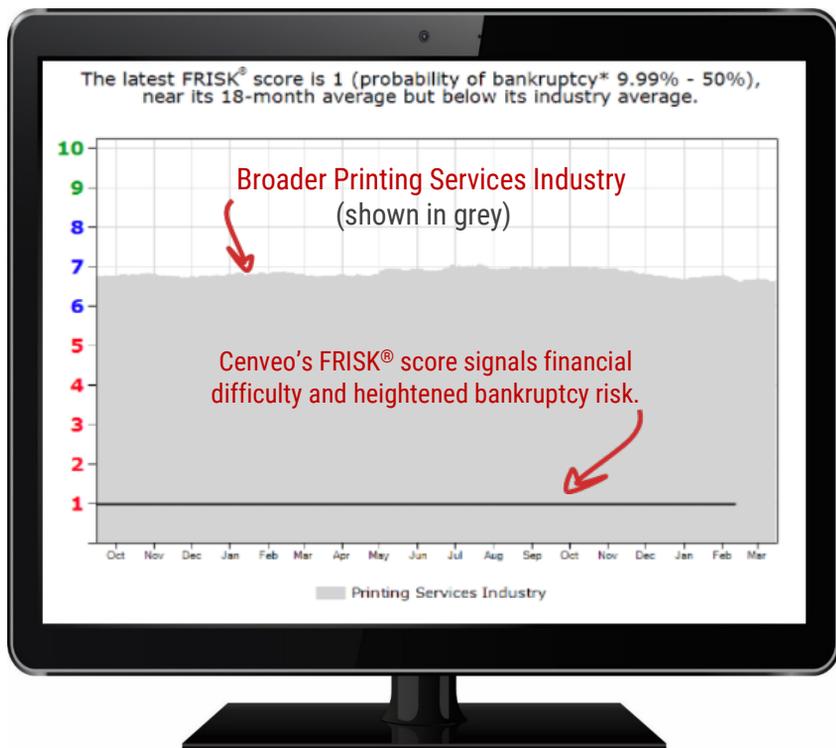
Days Sales



The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

Payment performance, captured by the Days Beyond Terms (DBT) index, is not an effective indicator of financial stress for publicly traded companies since they often continue to pay on time right up until their bankruptcy filing.

FRISK® DEEP DIVE



The FRISK® score relative to the broader Printing Services industry raised an additional red flag signaling heightened risk relative to peers, as well...

MAKING IMMEDIATE ATTENTION REQUIRED.

ADJUSTED MARKET CAP VOLATILITY



One of the inputs of the FRISK® score is a company's market cap volatility, adjusted for dividends, over the course of a year. Incorporating this information allows us to capture the "wisdom of markets" on a daily basis. This ensures our subscribers are getting the most up to date view of the risks they face since stocks tend to be more liquid and faster moving than bond prices and ratings.

FRISK® STRESS INDEX

Business Name	Country	Score
Cenveo, Inc.	United States	1
Lisgrafica Impressao e Artes Graficas SA	Portugal	2
Ekip 98 Holding AD v likvidatsiya	Bulgaria	4
Reach New Holdings Ltd	China	5
Saray Matbaacilik KK Ticaret v Sanayi AS	Turkey	5
Stampanija Borba ad Beograd	Serbia	5
AMVIG Holdings Limited	Hong Kong	6
Communis ple	United Kingdom	6
Gai Nippon Printing Co., Ltd.	Japan	6
SA	Belgium	6
	United States	6

FRISK® Stress Index - SIC classification: Commercial printing, lithographic

Primary industry codes only Primary and secondary industry codes

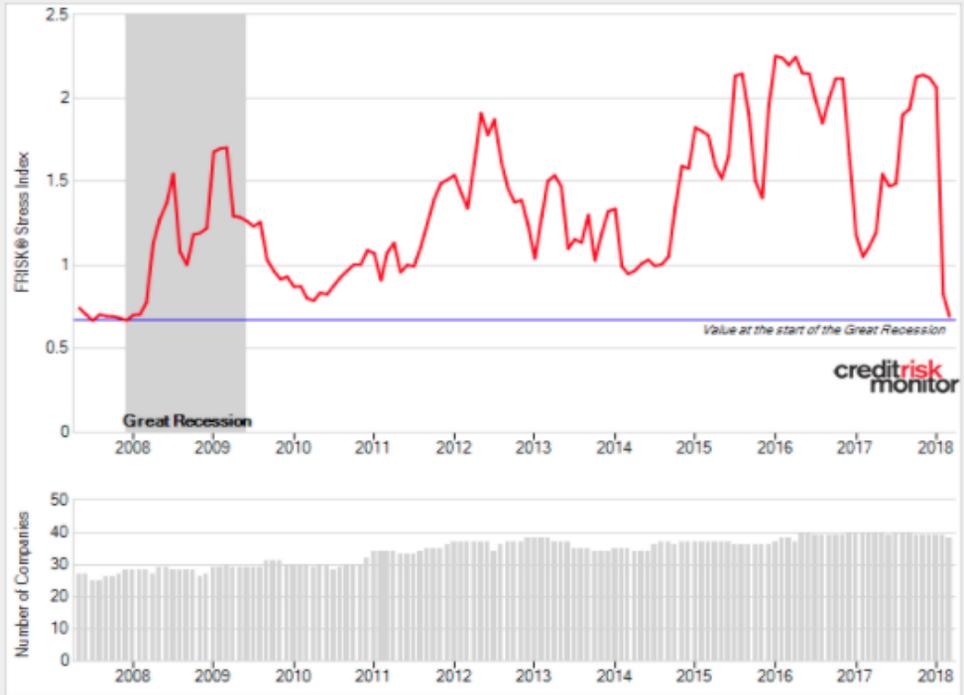
Businesses From: All Businesses CLEAR

In Industry: SIC 2752: Commercial printing, lithographic

Country: All Countries

UPDATE RESULTS

Scale: Auto Total Companies in all months 52



The FRISK® Stress Index shows the collective probability of failure in a group of companies (such as an industry, country or portfolio) over the next 12 months. It is designed to show trends in risk level across groups of companies and is shown on a zero to 50 scale, with 50 being the most risky.

The average probability of failure for SIC code 2752 (Commercial printing, lithographic) reflects an industry subsector with low risk. But, Cenveo had continued to struggle, as evidenced by its fall to a FRISK® score of 1.

PEER ANALYSIS ON ALTERNATE SUPPLIERS AND CUSTOMERS

Cenveo demonstrates bottom quartile ranking in key financial ratios (shown in red) vs. its Printing Services industry peers.

The Peer Analysis expands to provide a ranking of a company's competitors, which can help provide options for alternate suppliers or new customers.

Peer Analysis						
Quarter: 2017.3						
Peer Group: Sector: Services, Industry: Printing Services						
REFRESH						
[Sector: Services] [Industry: Printing Services] [Calendar Year/Quarter: 2017.3]						
Businesses in Peer Group: 474	Ranking	Number	Company	Peer Group Range		
	Within Peer Group	Of Peers Ranked		Value	Low	Median
Credit Ratings						
ZScore	65	68	-2.67	-55.94	2.89	22.40
Performance ratios:						
Net Sales (Thousands of U.S. Dollars)	7	10	329,511	402	471,142	1,734,900
Gross Margin % Of Sales	54	68	15.76	-80.33	21.71	121.43
Gross Margin % Of Sales -- TTM	61	73	16.35	6.39	21.60	
SG&A % Of Sales	19	67	12.50	2.25	18.37	
SG&A % Of Sales -- TTM	15	72	11.58	3.83	18.53	
Operating Margin % Of Sales	53	70	-0.16	-140.79	2.44	
Operating Margin % Of Sales TTM	41	75	2.88	-11.61	3.57	
EBITDA Margin Of Sales	31	35	3.04	-10.78	10.11	
EBITDA Margin Of Sales -- TTM	31	43	6.19	-2.44	9.11	
Net Profit Margin % Of Sales	65	70	-8.51	-132.96	2.11	
Net Profit Margin % Of Sales - TTM	66	75	-2.72	-18.89	2.11	
Pre-tax Income % Of Sales	59	70	-6.16	-138.55	3.06	
Effective Tax Rate	18	68	4.21	-146.23	22.02	
Depreciation % Of Prop/Plant/Equipment	52	62	19.37	2.19	11.43	
Capital Expense % Of Prop/Plant/Equipment	20	48	10.97	0.41	13.55	131.65
Interest Coverage	30	34	0.51	-9.12	5.84	8,922.00
Interest Coverage -- TTM	37	39	1.13	-0.89	6.77	155.16
Liquidity ratios:						
Cash Ratio	71	75	0.02	0.00	0.31	10.51
Quick Ratio	52	73	0.70	0.09	1.06	
Current Ratio	40	75	1.44	0.47	1.46	
Efficiency ratios:						
Accounts Receivable Turnover	13	74	7.23	0.00	5.21	
Days Sales Outstanding	15	70	50.49	0.00	68.15	
% of Inventory Financed by Vendors	22	61	167.64	16.08	127.51	
% of Inventory Financed by Vendors -- TTM	30	63	146.30	17.27	141.71	
Inventory Turnover	28	74	10.99	-12.91	7.11	
Inventory Turnover TTM	26	74	11.34	0.02	8.70	
Days Sales in Inventory	29	68	33.20	-23.27	39.88	
Inventory to Working Capital	40	72	0.81	-9.63	0.28	
Accounts Payable Turnover	23	65	7.57	-1.63	6.15	
Accounts Payable Turnover -- TTM	22	67	7.52	0.00	6.07	33.27
Leverage & debt coverage:						
Total Debt to Equity Ratio	N/A	63	N/A	0.00	0.51	11.59
Debt to Tangible Equity Ratio	N/A	56	N/A	0.00	0.35	19.22
Total Debt to Assets Ratio	67	67	1.22	0.00	0.23	1.22
Short-Term Debt % of Total Debt	2	64	0.81	0.80	48.13	100.00
Short-Term Debt % of Working Capital	10	64	7.62	-1,920.09	27.18	565.71
Liabilities to Net Worth Ratio	N/A	64	N/A	0.08	0.87	38.85
Total Liabilities to Equity Ratio	N/A	71	N/A	0.07	1.00	19.13
TTM EBITDA Over Total Debt	33	39	0.08	-0.07	0.27	44.18
Green - Ranked in Upper Quartile of Peer Group						
White - Ranked in the Middle Two Quartiles of Peer Group						
Red - Ranked in Lower Quartile of Peer Group						
Orange - Confidential						
Grey - Data is Not Available						

- Company
- 1 Poligrafici Printing SpA
 - 2 Nocopi Technologies, Inc.
 - 3 Icta Ab
 - 4 Cimpress NV
 - 5 TAKARA PRINTING CO., LTD.
 - 6 Lisgrafica Impressao e Artes Graficas SA
 - 7 Fima Corporation Bhd
 - 8 Shantou Dongfeng Printing Co Ltd
 - 9 SONOCOM CO., LTD.
 - 10 Bording A/S

- Company
- 1 TAKARA PRINTING CO., LTD.
 - 2 Mps Ltd
 - 3 HIKARI BUSINESS FORM CO., LTD.
 - 4 Fima Corporation Bhd
 - 5 KATSURAGAWA ELECTRIC CO., LTD.
 - 6 Teckwah Industrial Corporation Limited
 - 7 Toyo Ink Group Berhad
 - 8 Lake House Printers and Publishers Ltd
 - 9 Hitaga Co Ltd
 - 10 HIKARI CO., LTD.

TTM = trailing 12 months
N/A = Not Available

QUARTERLY PERFORMANCE RATIOS

Recurring net losses

Poor interest coverage ratio & recurring negative free cash flow

Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	13 weeks 9/30/2017	26 weeks 7/1/2017	13 weeks 4/1/2017	13 weeks 12/31/2016	13 weeks 10/1/2016
Net Sales \$	\$329,511	\$681,339	n/a	\$417,244	\$382,675
% change	n/a	n/a	n/a	9.03%	n/a
Gross Margin \$	\$51,923	\$117,931	n/a	\$63,620	\$67,892
% change	n/a	n/a	n/a	-6.29%	n/a
% of sales	15.76%	17.31%	n/a	15.25%	17.74%
change as % of incremental sales	n/a	n/a	n/a	-12.36%	n/a
SG&A \$	\$41,183	\$82,214	n/a	\$41,992	\$44,082
% change	n/a	n/a	n/a	-4.74%	n/a
% of sales	12.50%	12.07%	n/a	10.06%	11.52%
change as % of incremental sales	n/a	n/a	n/a	-6.05%	n/a
Operating margin \$	(\$532)	\$22,973	n/a	\$18,728	\$27,601
% change	n/a	n/a	n/a	-32.15%	n/a
% of sales	-0.16%	3.37%	n/a	4.49%	7.21%
change as % of incremental sales	n/a	n/a	n/a	-25.67%	n/a
EBITDA \$	\$10,003	\$47,086	n/a	\$31,247	\$39,708
% change	n/a	n/a	n/a	-21.31%	n/a
% of sales	3.04%	6.91%	n/a	7.49%	10.38%
change as % of incremental sales	n/a	n/a	n/a	-24.48%	n/a
EBIT \$	(\$825)	\$23,343	n/a	\$18,247	\$29,364
% change	n/a	n/a	n/a	-37.86%	n/a
% of sales	-0.25%	3.43%	n/a	4.37%	7.67%
change as % of incremental sales	n/a	n/a	n/a	-32.16%	n/a
Pre-tax income \$	(\$20,297)	(\$15,329)	n/a	(\$1,581)	\$9,046
% change	n/a	n/a	n/a	-117.48%	n/a
% of sales	-6.16%	-2.25%	n/a	-0.38%	2.36%
change as % of incremental sales	n/a	n/a	n/a	-30.74%	n/a
Net income (loss) \$	(\$28,050)	(\$10,543)	n/a	(\$241)	\$9,431
% change	n/a	n/a	n/a	-102.56%	n/a
% of sales	-8.51%	-1.55%	n/a	-0.06%	2.46%
change as % of incremental sales	n/a	n/a	n/a	-27.98%	n/a
Tax expense \$	(\$854)	(\$5,850)	n/a	\$198	\$987
Effective tax rate	4.21%	38.16%	n/a	-12.52%	10.91%
Depreciation expense \$	\$9,619	\$21,122	n/a	\$10,273	\$9,019
% of sales	2.92%	3.10%	n/a	2.46%	2.36%
% of capital expenses	176.69%	145.89%	n/a	85.47%	78.04%
% of PP&E, net (annualized)	19.37%	20.51%	n/a	19.39%	16.99%
Capital expenditures \$	\$5,444	\$14,478	\$8,223	\$12,019	\$11,557
% change	n/a	n/a	-31.58%	4.00%	n/a
% of PP&E, net (annualized)	10.97%	14.06%	15.63%	22.69%	21.77%
% of working capital (annualized)	19.60%	27.36%	38.62%	72.61%	88.63%
Interest coverage ratio	0.51	1.22	n/a	1.58	1.95
% change	n/a	n/a	n/a	-19.36%	n/a
Free cash flow \$	(\$15,766)	(\$13,767)	(\$14,604)	\$21,497	(\$3,637)
% change	n/a	n/a	-167.94%	691.06%	n/a
Source:	10-Q 11/9/2017	10-Q 11/9/2017	10-Q 11/9/2017	10-K 2/23/2017	10-Q 11/9/2017

QUARTERLY LEVERAGE RATIOS

Recurring negative tangible net worth suggested that all loanable collateral had been exhausted

An increasing total debt to assets ratio signaled a lower degree of financial flexibility

Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	9/30/2017	7/1/2017	4/1/2017	12/31/2016	10/1/2016
Total debt \$	\$1,059,038	\$1,039,273	\$1,034,660	\$1,018,666	\$1,044,087
% change	1.90%	0.45%	1.57%	-2.43%	-0.05%
Stockholders' equity \$	(\$618,921)	(\$595,624)	(\$595,563)	(\$589,157)	(\$582,241)
% change	-3.91%	-0.01%	-1.09%	-1.19%	2.25%
Tangible net worth \$	(\$897,306)	(\$889,676)	(\$890,861)	(\$885,510)	(\$879,985)
% change	-0.86%	0.13%	-0.60%	-0.63%	1.64%
Total assets \$	\$870,017	\$869,402	\$873,206	\$912,959	\$912,237
% change	0.07%	-0.44%	-4.35%	0.08%	1.27%
Total debt to assets ratio	1.22	1.20	1.18	1.12	1.14
% change	1.83%	0.89%	6.19%	-2.51%	-1.31%
Tangible assets \$	\$591,632	\$575,350	\$577,908	\$616,606	\$614,493
% change	2.83%	-0.44%	-6.28%	0.34%	2.11%
Short-term debt \$	\$8,597	\$6,944	\$9,400	\$31,727	\$57,132
% change	23.80%	-26.13%	-70.37%	-44.47%	-26.40%
Short-term debt % of total debt	0.81%	0.67%	0.91%	3.11%	5.47%
% change	21.49%	-26.45%	-70.83%	-43.08%	-26.37%
Short-term debt % of working capital	7.62%	6.35%	9.19%	46.63%	88.73%
% change	20.02%	-30.93%	-80.29%	-47.45%	-54.36%
Total liabilities \$	\$1,488,938	\$1,465,026	\$1,468,769	\$1,502,116	\$1,494,478
% change	1.63%	-0.25%	-2.22%	0.51%	-0.13%
Total debt to EBITDA ratio (annualized)	26.47	11.04	n/a	8.15	6.57
% change	n/a	n/a	n/a	23.98%	63.13%
Source:			10-Q 5/4/2017	10-K 2/23/2017	10-Q 11/3/2016

Elevated total debt to EBITDA ratio (annualized) indicated heightened risk

QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Meager cash and quick ratios

Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	9/30/2017	7/1/2017	4/1/2017	12/31/2016	10/1/2016
Current assets \$	\$368,297	\$348,855	\$346,554	\$383,245	\$378,677
% change	5.57%	0.66%	-9.57%	1.21%	3.46%
% of short-term debt	4,284.02%	5,023.83%	3,686.74%	1,207.95%	662.81%
Current liabilities \$	\$255,448	\$239,455	\$244,262	\$315,206	\$314,291
% change	6.68%	-1.97%	-22.51%	0.29%	-3.62%
Working capital \$	\$112,849	\$109,400	\$102,292	\$68,039	\$64,386
% change	3.15%	6.95%	50.34%	5.67%	61.24%
% of sales (annualized)	8.56%	8.03%	n/a	4.08%	4.21%
Cash \$	\$6,306	\$7,098	\$3,861	\$5,532	\$4,894
% change	-11.16%	83.84%	-30.21%	13.04%	-1.39%
% of short-term debt	73.35%	102.22%	41.07%	17.44%	8.57%
Cash ratio	0.02	0.03	0.02	0.02	0.02
% change	-16.55%	87.34%	-10.23%	12.82%	2.63%
Quick assets \$	\$179,273	\$198,812	\$201,639	\$239,719	\$227,562
% change	-9.83%	-1.40%	-15.89%	5.34%	4.60%
% of short-term debt	2,085.30%	2,863.08%	2,145.10%	755.57%	398.31%
Quick ratio	0.70	0.83	0.83	0.76	0.72
% change	-15.48%	0.58%	8.55%	5.04%	8.51%
Current ratio	1.44	1.46	1.42	1.22	1.20
% change	-1.04%	2.69%	16.69%	0.91%	7.34%
Source:	10-Q 11/9/2017	10-Q 8/3/2017	10-Q 5/4/2017	10-K 2/23/2017	10-Q 11/3/2016

Unable to generate positive returns

Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	13 weeks 9/30/2017	26 weeks 7/1/2017	13 weeks 4/1/2017	13 weeks 12/31/2016	13 weeks 10/1/2016
Return on total assets	-3.23%	-1.21%	0.00%	-0.03%	1.04%
% change	n/a	n/a	100.00%	-102.54%	n/a
Return on tangible assets	-4.81%	-1.83%	0.00%	-0.04%	1.55%
% change	n/a	n/a	100.00%	-102.53%	n/a
Source:	10-Q 11/9/2017	10-Q 11/9/2017	10-Q 11/9/2017	10-K 2/23/2017	10-Q 11/9/2017

NEWS ALERTS: A TIMELINE OF CONCERNING HEADLINES

Cenveo's Q4 2016 results were negatively impacted by significant sales volume declines and increased price pressures

2/22/2017

PR Newswire

Cenveo Reports Fourth Quarter and Full Year 2016 Results

Net income in Q1 2017 decreased 178% to (\$8.7 million) compared with net income of \$11.2 million for the same period in the previous year.

5/3/2017

PR Newswire

Cenveo Reports First Quarter 2017 Results

Net income in Q2 2017 decreased 104% to (\$1.9 million) compared with net income of \$48 million for the same period in the previous year.

8/5/2017

CRMZ News Service

Cenveo, Inc. -- updated financials available

Moody's Investor Services withdrew Cenveo's ratings and outlook.

10/20/2017

CRMZ News Service

Cenveo, Inc. -- updated Moody's rating available

Cenveo divested its office products envelope business to focus on its core operations; raise cash.

11/9/2017

CRMZ News Service

Cenveo Announces Sale of Office Products Envelope Business

Net income in Q3 2017 decreased 397% to (\$28.1 million) compared with net income of \$9.4 million for the same period in the previous year.

11/14/2017

CRMZ News Service

Cenveo, Inc. -- updated financials available

Cenveo reached an agreement with holders of a majority of its first lien debt to support a Chapter 11 plan of reorganization.

11/9/2017

CRMZ News Service

Cenveo, Inc. Announces Agreement with First Lien Noteholders to Recapitalize Balance Sheet

Cenveo filed for bankruptcy

2/2/2018

CRMZ News Service

Cenveo, Inc.: Chapter 11 Petition filed on 2/2/2018

ABOUT THIS REPORT/CONTACT CREDITRISKMONITOR



CreditRiskMonitor is a financial risk analysis and news service that helps credit, supply chain and financial professionals stay ahead of and manage risk quickly, accurately and cost effectively. More than 35% of the Fortune 1000, plus over a thousand other large corporations worldwide, rely on our financial risk coverage of over 58,000 global public companies.

CreditRiskMonitor Bankruptcy Case Studies provide post-filing analyses of public company bankruptcies. Our case studies educate subscribers about methods they can apply to assess bankruptcy risk using CreditRiskMonitor's proprietary FRISK® score, robust financial database and timely news alerts.

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